

investors and working families who got asked to bail out Wall Street.

So what kind of SEC Chairman would Mr. Clayton be? Let's start by looking at how he would lead the SEC's enforcement efforts against Wall Street, how he would be as a cop on the beat. Under ethics rules, for the first half of his term, Mr. Clayton cannot participate in any enforcement action that involves one of his former clients. That means he cannot take part in any case against Goldman Sachs. OK. But there is more. Goldman Sachs is just one of his former big bank clients. Mr. Clayton also can't take action against Deutsche Bank or against UBS or against Barclays. These are some of Wall Street's biggest and most egregious repeat offenders, and Mr. Clayton would be barred from enforcing the law against them.

That is not all. Ethics rules also prevent Mr. Clayton from participating in any enforcement case against a party that is represented by his former law firm, Sullivan and Cromwell. Sullivan and Cromwell is a premier Wall Street firm, with a long client list that includes big banks like JPMorgan Chase and the credit rating agency Moody's. That means there will likely be even more cases against top Wall Street firms that Mr. Clayton can't work on.

Here is why that matters so much. For most enforcement actions, it takes a majority vote of the five SEC Commissioners. In other words, it takes three people to advance an enforcement action. In a number of recent cases, the two Democrats have voted for stronger enforcement and the two Republicans have voted against it. If the Chairman can't vote—and Mr. Clayton can't vote if some of the biggest and most disreputable banks are involved—then the Commission is likely to come up short of the necessary three votes. You know what that means. It means the banks walk free. Confirming Mr. Clayton to run the SEC will almost certainly result in weaker enforcement against the major players on Wall Street.

Mr. Clayton is also likely to pursue a Wall Street-friendly agenda when it comes to the SEC's rulemaking responsibilities. When he testified before me and before other members of the Banking Committee, Mr. Clayton refused to commit to completing the rules that Congress asked the SEC to write all the way back in 2010 as part of its postcrisis financial reforms. Mr. Clayton even refused to commit to implementing and enforcing some of the postcrisis rules that the SEC has already finalized and put in place.

I don't have any faith that Mr. Clayton will be the kind of tough, independent leader we need at the SEC. His nomination is just one more broken promise, one more time that Donald Trump has put Wall Street ahead of the interests of the American people. The last time a Republican President led us down this path, it resulted in the worst financial crash of our lifetime. We can't go down that path again.

I will be voting against Mr. Clayton's nomination, and I urge my colleagues to do the same.

Thank you, Mr. President.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. SCOTT. Mr. President, I ask unanimous consent that at 5:20 p.m. today, all postcloture time on the Clayton nomination be considered expired and the Senate proceed to vote on the nomination with no intervening action or debate. I further ask that, if confirmed, the President be immediately notified of the Senate's action and that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. SCOTT. Mr. President, I ask unanimous consent that the Senate stand in recess as under the previous order.

There being no objection, the Senate, at 12:28 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. PORTMAN).

EXECUTIVE CALENDAR—Continued

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN. Mr. President, I rise in opposition to the nomination of Jay Clayton to serve as Chairman of the Securities and Exchange Commission. Americans deserve a Chair who will run the SEC on their behalf, not for the benefit of Wall Street banks and big corporations. Far too many folks in this town have collective amnesia about the costs of the last financial crisis: \$19 trillion lost in household wealth, 8 million jobs lost, more than 15 million foreclosures, hundreds and hundreds of them in the Presiding Officer's and my State.

Those numbers don't seem to get better as time goes by. All over the country, in Ohio and elsewhere, families want strong rules that prevent banks from doing as they please, enriching themselves at the expense of others and then handing the bill to American taxpayers. The most basic duty of the Chair of the SEC is leading his fellow Commissioners through tough issues and policing Wall Street.

Mr. Clayton will fall woefully short. His law firm, his former clients will create a steady stream of conflicts of

interest, forcing him to recuse himself in cases involving former clients for 2 of the 4 years he would serve as Chair.

He will be sitting on the sidelines on potential enforcement actions because of his representation in the work he did prior to being at the SEC. That is not draining the swamp. Goldman Sachs, Deutsche Bank, Royal Bank of Canada, UBS—he will have to recuse himself on all of those cases. That does not sound like someone who will be in there fighting for the American people or working to protect America's financial markets.

It is not a theoretical concern. Former Chair White faced conflicts and recusals in more than four dozen enforcement investigations in her first 2 years. In those cases, big banks, like Bank of America, used those recusals to their advantage when the Commission was deadlocked. That undermines the Commission's authority. That is why I opposed Ms. White for her position—one of the same reasons I am opposing Mr. Clayton. Instead of confirming the same kind of nominees we have had in the past, with dozens of conflicts of interest and recusals, we should be considering someone who actually will work to protect investors.

At his hearing, Mr. Clayton failed to provide clear answers to questions about how he would approach enforcement matters. He gave empty answers about punishing bad actors and individual accountability.

Accounting fraud, selling toxic derivatives, and corporate foreign corruption usually involve senior management and happen because the tone from the top allows it to happen. Mr. Clayton does not see it that way. He spent his career representing—excuse me—protecting Wall Street banks. That history guides his view on how SEC enforcement should work.

According to Mr. Clayton, the SEC should proceed with caution, even before opening an investigation. That is not his job. His job is to open investigations when it looks like there is wrongdoing. He says it would have serious adverse impacts on respondents. He has it totally backward. Not investigating companies that may be committing fraud or other abuses because it might create problems for them—how about the American public?

How about the neighborhood I live in in Cleveland, OH, 44105? That ZIP Code had more foreclosures than any ZIP Code in the United States in 2007. That is partly because of a lack of enforcement at the SEC. I see it up close. I know what that means to our communities. I know what it means to our country.

Acting Chair Piwowar began undermining the SEC's enforcement division in his first month on the job. He reversed steps taken by the two previous Chairs that empowered the SEC's enforcement staff to open and pursue investigations.

I am concerned about Dodd-Frank rules. If he is confirmed, he will have